

ARIZONA CORPORATION COMMISSION
UTILITIES DIVISION

ANNUAL REPORT MAILING LABEL – MAKE CHANGES AS NECESSARY

W-02059A
Desert Valencia Water System
2000 Forest Hills Rd.
Prescott, Az. 86303

RECEIVED
APR 19 2011
UTILITIES DIRECTOR

ANNUAL REPORT
Water

FOR YEAR ENDING

12	31	2010
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FOR COMMISSION USE

ANN 04	10
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4-25-11

COMPANY INFORMATION

Company Name		(Business Name)	
Desert Valencia Water System			
Mailing Address		Address	
2000 Forest Hills Rd.			
Prescott	Az.	86303	
(City)	(State)	(Zip)	
928-541-7569			
Telephone No. (Include Area Code)	Fax No. (Include Area Code)	Cell No. (Include Area Code)	
Email Address			
brendawootton@gmail.com			
Local Office	Mailing Address	Address	
2000 Forest Hills Rd.			
Prescott	Az.	86303	
(City)	(State)	(Zip)	
928-541-7569			
Local Office Telephone No. (Include Area Code)	Fax No. (Include Area Code)	Cell No. (Include Area Code)	
Email Address			
brendawootton@gmail.com			

MANAGEMENT INFORMATION

☐ **Regulatory Contact:**

☒ **Management**
Contact: Scott Wootton agent for owner
(Name) (Title)
2000 Forest Hills Rd. Prescott Az. 86303
(Street) (City) (State) (Zip)
928-541-7568 928-499-2355
Telephone No. (Include Area Code) Fax No. (Include Area Code) Cell No. (Include Area Code)

Email _____
Address _____

On Site

Manager: Mr. Louis Buchholz
(Name)

County Ave 43 E & 8th St. Tacna Az. 85352
(Street) (City) (State) (Zip)

928-785-41872 _____
Telephone No. (Include Area Code) Fax No. (Include Area Code) Cell No. (Include Area Code)

Email _____
Address _____

Statutory

Agent: _____
(Name)

(Street) (City) (State) (Zip)

Telephone No. (Include Area Code) Fax No. (Include Area Code) Cell No. (Include Area Code)

Attorney: Pamela Walsma (Shadle + Walsma, PLC)

(Name)
833 E. Plaza Circle St. 200 Yuma AZ 85365
(Street) (City) (State) (Zip)

928-783-8321

Telephone No. (Include Area Code) Fax No. (Include Area Code) Cell No. (Include Area Code)

Email
Address _____

OWNERSHIP INFORMATION

Check the following box that applies to your company:

- ☐ Sole Proprietor (S) ☐ C Corporation (C) (Other than Association/Co-op)
- ☐ Partnership (P) ☐ Subchapter S Corporation (Z)
- ☐ Bankruptcy (B) ☐ Association/Co-op (A)
- ☐ Receivership (R) ☐ Limited Liability Company
- ☒ Other (Describe) Survivors Trust

COUNTIES SERVED

Check the box below for the county/ies in which you are certificated to provide service:

- | | | |
|---------------------------------|-----------------------------------|-----------------------------------|
| <input type="checkbox"/> APACHE | <input type="checkbox"/> COCHISE | <input type="checkbox"/> COCONINO |
| <input type="checkbox"/> GILA | <input type="checkbox"/> GRAHAM | <input type="checkbox"/> GREENLEE |
| <input type="checkbox"/> LA PAZ | <input type="checkbox"/> MARICOPA | <input type="checkbox"/> MOHAVE |
| <input type="checkbox"/> NAVAJO | <input type="checkbox"/> PIMA | <input type="checkbox"/> PINAL |

☐ SANTA CRUZ

☐ YAVAPAI

☒ YUMA

☐ STATEWIDE

COMPANY NAME Desert Valencia Water System

UTILITY PLANT IN SERVICE

Acct. No.	DESCRIPTION	Original Cost (OC)	Accumulated Depreciation (AD)	O.C.L.D. (OC less AD)
301	Organization			
302	Franchises			
303	Land and Land Rights	32,000	32,000	0
304	Structures and Improvements			
307	Wells and Springs			
311	Pumping Equipment	9,977 ⁰⁰	1,946 ⁰⁰	8,031 ⁰⁰
320	Water Treatment Equipment	24,211 ⁰⁰	4,013 ⁰⁰	20,198 ⁰⁰
330	Distribution Reservoirs and Standpipes			
331	Transmission and Distribution Mains			
333	Services			
334	Meters and Meter Installations			
335	Hydrants			
336	Backflow Prevention Devices			
339	Other Plant and Misc. Equipment			
340	Office Furniture and Equipment			
341	Transportation Equipment			
343	Tools, Shop and Garage Equipment			
344	Laboratory Equipment			
345	Power Operated Equipment			
346	Communication Equipment			
347	Miscellaneous Equipment			
348	Other Tangible Plant ^{66,000 gal} _{metal tank}	41,750.00	3,325.00	1,425 ⁰⁰
	TOTALS	70,938.00	41,284.00	29,654 ⁰⁰

This amount goes on the Balance Sheet Acct. No. 108

COMPANY NAME Desert Valencia Water System

CALCULATION OF DEPRECIATION EXPENSE FOR CURRENT YEAR

Acct. No.	DESCRIPTION	Original Cost (1)	Depreciation Percentage (2)	Depreciation Expense (1x2)
301	Organization			
302	Franchises			
303	Land and Land Rights	32,000	0	0
304	Structures and Improvements			
307	Wells and Springs			
311	Pumping Equipment	8,454	10% (1/10)	423.00
320	Water Treatment Equipment	22,442.00	7%	1496.00
330	Distribution Reservoirs and Standpipes			
331	Transmission and Distribution Mains			
333	Services			
334	Meters and Meter Installations			
335	Hydrants			
336	Backflow Prevention Devices			
339	Other Plant and Misc. Equipment			
340	Office Furniture and Equipment			
341	Transportation Equipment			
343	Tools, Shop and Garage Equipment			
344	Laboratory Equipment			
345	Power Operated Equipment			
346	Communication Equipment			
347	Miscellaneous Equipment			
348	Other Tangible Plant 60,000 gal. metal Tank	4,750.00	10%	475.00
	TOTALS	62,896.00		2394.00

This amount goes on the Comparative Statement of Income and Expense Acct. No. 403.

COMPANY NAME

Desert Valencia Water System

BALANCE SHEET

Not Applicable - See Note Below

Acct No.		BALANCE AT BEGINNING OF YEAR	BALANCE AT END OF YEAR
	ASSETS		
	CURRENT AND ACCRUED ASSETS		
131	Cash	\$	\$
134	Working Funds		
135	Temporary Cash Investments		
141	Customer Accounts Receivable		
146	Notes/Receivables from Associated Companies		
151	Plant Material and Supplies		
162	Prepayments		
174	Miscellaneous Current and Accrued Assets		
	TOTAL CURRENT AND ACCRUED ASSETS	\$	\$
	FIXED ASSETS		
101	Utility Plant in Service	\$	\$
103	Property Held for Future Use		
105	Construction Work in Progress		
108	Accumulated Depreciation – Utility Plant		
121	Non-Utility Property		
122	Accumulated Depreciation – Non Utility		
	TOTAL FIXED ASSETS	\$	\$
	TOTAL ASSETS	\$	\$

NOTE: The Assets on this page should be equal to Total Liabilities and Capital on the following page.

Note: Accounting records are not kept separate for this small operation. They are included in overall records of farm rentals, real estate, & investments

COMPANY NAME Desert Valencia Water System

BALANCE SHEET (CONTINUED)

Not Applicable

Acct. No.		BALANCE AT BEGINNING OF YEAR	BALANCE AT END OF YEAR
	LIABILITIES		
	CURRENT LIABILITES		
231	Accounts Payable	\$	\$
232	Notes Payable (Current Portion)		
234	Notes/Accounts Payable to Associated Companies		
235	Customer Deposits		
236	Accrued Taxes		
237	Accrued Interest		
241	Miscellaneous Current and Accrued Liabilities		
	TOTAL CURRENT LIABILITIES	\$	\$
	LONG-TERM DEBT (Over 12 Months)		
224	Long-Term Notes and Bonds	\$	\$
	DEFERRED CREDITS		
251	Unamortized Premium on Debt	\$	\$
252	Advances in Aid of Construction		
255	Accumulated Deferred Investment Tax Credits		
271	Contributions in Aid of Construction		
272	Less: Amortization of Contributions		
281	Accumulated Deferred Income Tax		
	TOTAL DEFERRED CREDITS	\$	\$
	TOTAL LIABILITIES	\$	\$
	CAPITAL ACCOUNTS		
201	Common Stock Issued	\$	\$
211	Paid in Capital in Excess of Par Value		
215	Retained Earnings		
218	Proprietary Capital (Sole Props and Partnerships)		
	TOTAL CAPITAL	\$	\$
	TOTAL LIABILITIES AND CAPITAL	\$	\$

COMPANY NAME Desert Valencia Water System

COMPARATIVE STATEMENT OF INCOME AND EXPENSE

Acct. No.	OPERATING REVENUES	PRIOR YEAR 2009	CURRENT YEAR 2010
461	Metered Water Revenue	\$ 0	\$ 0
460	Unmetered Water Revenue	5,170.00	5,304.95
474	Other Water Revenues <i>Sales Tax Collected</i>	347.92	373.34
	TOTAL REVENUES	\$ 5,517.92	\$ 5,678.29
	OPERATING EXPENSES		
601	Salaries and Wages	\$ 1,200.00	\$ 1,200.00
610	Purchased Water	576.00	604.80
615	Purchased Power	2,451.47	2,037.37
618	Chemicals	262.35	335.60
620	Repairs and Maintenance	495.37	559.06
621	Office Supplies and Expense	21.90	0
630	Outside Services		
635	Water Testing		
641	Rents		
650	Transportation Expenses		
657	Insurance – General Liability	630.00	768.00
659	Insurance - Health and Life		
666	Regulatory Commission Expense – Rate Case		
675	Miscellaneous Expense	1,218.50	45.00
403	Depreciation Expense	1,223.00	2,394.00
408	Taxes Other Than Income <i>Sales Tax</i>	346.39	384.14
408.11	Property Taxes	183.50	195.36
409	Income Tax	50.00	
	TOTAL OPERATING EXPENSES	\$ 8,758.48	\$ 8,523.27
	OPERATING INCOME/(LOSS)	\$ (3,240.56)	\$ (2,844.98)
	OTHER INCOME/(EXPENSE)		
419	Interest and Dividend Income	\$	\$
421	Non-Utility Income		
426	Miscellaneous Non-Utility Expenses		
427	Interest Expense		
	TOTAL OTHER INCOME/(EXPENSE)	\$ 0	\$ 0
	NET INCOME/(LOSS)	\$ (3,240.56)	\$ (2,844.98)

COMPANY NAME

Desert Valencia Water System

SUPPLEMENTAL FINANCIAL DATA

Long-Term Debt

No Long Term or Short Term Debt

	LOAN #1	LOAN #2	LOAN #3	LOAN #4
Date Issued				
Source of Loan				
ACC Decision No.				
Reason for Loan				
Dollar Amount Issued	\$	\$	\$	\$
Amount Outstanding	\$	\$	\$	\$
Date of Maturity				
Interest Rate	%	%	%	%
Current Year Interest	\$	\$	\$	\$
Current Year Principle	\$	\$	\$	\$

Meter Deposit Balance at Test Year End

\$

Meter Deposits Refunded During the Test Year

\$

COMPANY NAME	Desert Valencia Water System		
Name of System:	ADEQ Public Water System Number:		

WATER COMPANY PLANT DESCRIPTION

No Wells

WELLS

ADWR ID Number*	Pump Horsepower	Pump Yield (gpm)	Casing Depth (Feet)	Casing Diameter (Inches)	Meter Size (inches)	Year Drilled

* Arizona Department of Water Resources Identification Number

OTHER WATER SOURCES

Name or Description	Capacity (gpm)	Gallons Purchased or Obtained (in thousands)
Wellton Mohawk Irrigation District	4" gravity line	Not metered - est. 16 acre-ft/yr.

BOOSTER PUMPS		FIRE HYDRANTS	
Horsepower	Quantity	Quantity Standard	Quantity Other
15 hspw	2	None	None

STORAGE TANKS		PRESSURE TANKS	
Capacity	Quantity	Capacity	Quantity
20,000	1	1,000	1
		3,000	1

Note: If you are filing for more than one system, please provide separate sheets for each system.

COMPANY NAME	Desert Valencia Water System
Name of System:	ADEQ Public Water System Number:

WATER COMPANY PLANT DESCRIPTION (CONTINUED)

MAINS			CUSTOMER METERS	
Size (in inches)	Material	Length (in feet)	Size (in inches)	Quantity
2	PVC	3900'	5/8 X 3/4	
3			3/4	
4			1	
5			1 1/2	
6			2	
8			Comp. 3	
10			Turbo 3	
12			Comp. 4	
			Turbo 4	
			Comp. 6	
			Turbo 6	

For the following three items, list the utility owned assets in each category for each system.

TREATMENT EQUIPMENT:

Sand Filters

Chlorine Treatment

STRUCTURES:

Chain link fence around water plant

Small frame building

OTHER:

Contract to furnish M&I water from Mohawk canal with Wellton Mohawk Irrigation & Drainage District w/ 250 Acre ft / yr.

6 Acres of land

COMPANY NAME: <u>Desert Valencia Water System</u>	
Name of System:	ADEQ Public Water System Number:

WATER USE DATA SHEET BY MONTH FOR CALENDAR YEAR 2010

MONTH	NUMBER OF CUSTOMERS		GALLONS SOLD (Thousands)	GALLONS PUMPED (Thousands)	GALLONS PURCHASED (Thousands)
	Active Hookups	Stand-By			
JANUARY	12	8	No Meters		
FEBRUARY	12	8	"		
MARCH	12	8	"		
APRIL	12	8	"		
MAY	12	8	"		
JUNE	12	8	"		
JULY	12	8	"		
AUGUST	12	8	"		
SEPTEMBER	12	8	"		
OCTOBER	12	8	"		
NOVEMBER	12	8	"		
DECEMBER	12	8	"		
TOTALS →					

No Wells

What is the level of arsenic for each well on your system? _____ mg/l
(If more than one well, please list each separately.)

None

If system has fire hydrants, what is the fire flow requirement? _____ GPM for _____ hrs

If system has chlorination treatment, does this treatment system chlorinate continuously?

(X) Yes () No

Is the Water Utility located in an ADWR Active Management Area (AMA)?

() Yes (X) No

Does the Company have an ADWR Gallons Per Capita Per Day (GPCPD) requirement?

() Yes (X) No

If yes, provide the GPCPD amount: _____

Note: If you are filing for more than one system, please provide separate data sheets for each system.

COMPANY NAME: Desert Valencia Water System	
Name of System:	ADEQ Public Water System Number:

UTILITY SHUTOFFS / DISCONNECTS

MONTH	Termination without Notice R14-2-410.B	Termination with Notice R14-2-410.C	OTHER
JANUARY	0	0	
FEBRUARY			
MARCH			
APRIL			
MAY			
JUNE			
JULY			
AUGUST			
SEPTEMBER			
OCTOBER			
NOVEMBER			
DECEMBER			
TOTALS →	0	0	

OTHER (description):

COMPANY NAME Desert Valencia Water System YEAR ENDING 12/31/2010

PROPERTY TAXES

Amount of actual property taxes paid during Calendar Year 2010 was: \$ 195.36

Attach to this annual report proof (e.g. property tax bills stamped “paid in full” or copies of cancelled checks for property tax payments) of any and all property taxes paid during the calendar year.

If no property taxes paid, explain why. _____

**VERIFICATION
AND
SWORN STATEMENT
Taxes**

RECEIVED
APR 1 9 2011
ACC UTILITIES DIRECTOR

VERIFICATION

STATE OF Arizona
I, THE UNDERSIGNED
OF THE

COUNTY OF (COUNTY NAME) <u>Yuma</u>
NAME (OWNER OR OFFICIAL) TITLE <u>Scott Wootton, agent for owner</u>
COMPANY NAME <u>Desert Valencia Water System</u>

DO SAY THAT THIS ANNUAL UTILITY PROPERTY TAX AND SALES TAX REPORT TO THE ARIZONA CORPORATION COMMISSION

FOR THE YEAR ENDING


MONTH	DAY	YEAR
12	31	2010

HAS BEEN PREPARED UNDER MY DIRECTION, FROM THE ORIGINAL BOOKS, PAPERS AND RECORDS OF SAID UTILITY; THAT I HAVE CAREFULLY EXAMINED THE SAME, AND DECLARE THE SAME TO BE A COMPLETE AND CORRECT STATEMENT OF BUSINESS AND AFFAIRS OF SAID UTILITY FOR THE PERIOD COVERED BY THIS REPORT IN RESPECT TO EACH AND EVERY MATTER AND THING SET FORTH, TO THE BEST OF MY KNOWLEDGE, INFORMATION AND BELIEF.

SWORN STATEMENT

I HEREBY ATTEST THAT ALL PROPERTY TAXES FOR SAID COMPANY ARE CURRENT AND PAID IN FULL.

I HEREBY ATTEST THAT ALL SALES TAXES FOR SAID COMPANY ARE CURRENT AND PAID IN FULL.



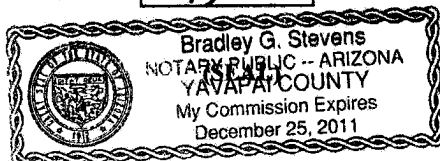
SIGNATURE OF OWNER OR OFFICIAL
928-541-7569

TELEPHONE NUMBER


SUBSCRIBED AND SWORN TO BEFORE ME

A NOTARY PUBLIC IN AND FOR THE COUNTY OF

THIS 13 **DAY OF** April, 2011



COUNTY NAME <u>YAVAPAI</u>	
APRIL MONTH	20 <u>11</u>



SIGNATURE OF NOTARY PUBLIC

MY COMMISSION EXPIRES 12-25-2011

COMPANY NAME Desert Valencia Water System YEAR ENDING 12/31/2010

INCOME TAXES

For this reporting period, provide the following:

Federal Taxable Income Reported 4721.00
Estimated or Actual Federal Tax Liability None

State Taxable Income Reported 4721.00
Estimated or Actual State Tax Liability None

Amount of Grossed-Up Contributions/Advances:

Amount of Contributions/Advances None
Amount of Gross-Up Tax Collected None
Total Grossed-Up Contributions/Advances None

Decision No. 55774 states, in part, that the utility will refund any excess gross-up funds collected at the close of the tax year when tax returns are completed. Pursuant to this Decision, if gross-up tax refunds are due to any Payer or if any gross-up tax refunds have already been made, attach the following information by Payer: name and amount of contribution/advance, the amount of gross-up tax collected, the amount of refund due to each Payer, and the date the Utility expects to make or has made the refund to the Payer.

CERTIFICATION

The undersigned hereby certifies that the Utility has refunded to Payers all gross-up tax refunds reported in the prior year’s annual report. This certification is to be signed by the President or Chief Executive Officer, if a corporation; the managing general partner, if a partnership; the managing member, if a limited liability company or the sole proprietor, if a sole proprietorship.

_____	_____
SIGNATURE	DATE
_____	_____
PRINTED NAME	TITLE

**VERIFICATION
AND
SWORN STATEMENT
Intrastate Revenues Only**

RECEIVED
APR 13 2011
ACC UTILITIES DIRECTOR

VERIFICATION

STATE OF Arizona

I, THE UNDERSIGNED

OF THE

COUNTY OF (COUNTY NAME) <u>Yuma</u>
NAME (OWNER OR OFFICIAL) TITLE <u>Scott Wootton, agent for owner</u>
COMPANY NAME <u>Desert Valencia Water System</u>

DO SAY THAT THIS ANNUAL UTILITY REPORT TO THE ARIZONA CORPORATION COMMISSION

FOR THE YEAR ENDING

MONTH	DAY	YEAR
12	31	2010

HAS BEEN PREPARED UNDER MY DIRECTION, FROM THE ORIGINAL BOOKS, PAPERS AND RECORDS OF SAID UTILITY; THAT I HAVE CAREFULLY EXAMINED THE SAME, AND DECLARE THE SAME TO BE A COMPLETE AND CORRECT STATEMENT OF BUSINESS AND AFFAIRS OF SAID UTILITY FOR THE PERIOD COVERED BY THIS REPORT IN RESPECT TO EACH AND EVERY MATTER AND THING SET FORTH, TO THE BEST OF MY KNOWLEDGE, INFORMATION AND BELIEF.

SWORN STATEMENT

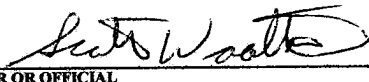
IN ACCORDANCE WITH THE REQUIREMENT OF TITLE 40, ARTICLE 8, SECTION 40-401, ARIZONA REVISED STATUTES, IT IS HEREIN REPORTED THAT THE GROSS OPERATING REVENUE OF SAID UTILITY DERIVED FROM ARIZONA INTRASTATE UTILITY OPERATIONS DURING CALENDAR YEAR 2010 WAS:

Arizona Intrastate Gross Operating Revenues Only (\$)

\$ 5678.29

(THE AMOUNT IN BOX ABOVE
INCLUDES \$ 373.34
IN SALES TAXES BILLED, OR COLLECTED)

****REVENUE REPORTED ON THIS PAGE MUST
INCLUDE SALES TAXES BILLED OR
COLLECTED. IF FOR ANY OTHER REASON,
THE REVENUE REPORTED ABOVE DOES NOT
AGREE WITH TOTAL OPERATING REVENUES
ELSEWHERE REPORTED, ATTACH THOSE
STATEMENTS THAT RECONCILE THE
DIFFERENCE. (EXPLAIN IN DETAIL)**


928-541-2569
TELEPHONE NUMBER

SUBSCRIBED AND SWORN TO BEFORE ME

A NOTARY PUBLIC IN AND FOR THE COUNTY OF

THIS


13

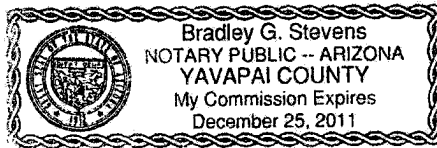
DAY OF

COUNTY NAME <u>YAVAPI</u>
APR 12 MONTH 2011

(SEAL)

MY COMMISSION EXPIRES 12-25-2011


SIGNATURE OF NOTARY PUBLIC



**VERIFICATION
AND
SWORN STATEMENT
RESIDENTIAL REVENUE
Intrastate Revenues Only**

RECEIVED
APR 17 2011
ACCUITIES DIRECTOR

VERIFICATION

STATE OF ARIZONA

I, THE UNDERSIGNED

OF THE

COUNTY OF (COUNTY NAME) <u>Yuma</u>	
NAME (OWNER OR OFFICIAL) <u>Scott Wootton</u>	TITLE <u>agent for owner</u>
COMPANY NAME <u>Desert Valencia Water System</u>	

**DO SAY THAT THIS ANNUAL UTILITY REPORT TO THE ARIZONA CORPORATION COMMISSION
FOR THE YEAR ENDING**

MONTH 12	DAY 31	YEAR 2010
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HAS BEEN PREPARED UNDER MY DIRECTION, FROM THE ORIGINAL BOOKS, PAPERS AND RECORDS OF SAID UTILITY; THAT I HAVE CAREFULLY EXAMINED THE SAME, AND DECLARE THE SAME TO BE A COMPLETE AND CORRECT STATEMENT OF BUSINESS AND AFFAIRS OF SAID UTILITY FOR THE PERIOD COVERED BY THIS REPORT IN RESPECT TO EACH AND EVERY MATTER AND THING SET FORTH, TO THE BEST OF MY KNOWLEDGE, INFORMATION AND BELIEF.

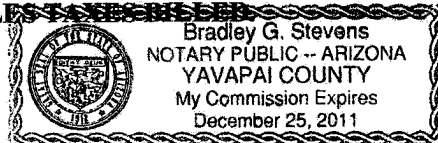
SWORN STATEMENT

IN ACCORDANCE WITH THE REQUIREMENTS OF TITLE 40, ARTICLE 8, SECTION 40-401.01, ARIZONA REVISED STATUTES, IT IS HEREIN REPORTED THAT THE GROSS OPERATING REVENUE OF SAID UTILITY DERIVED FROM ARIZONA INTRASTATE UTILITY OPERATIONS RECEIVED FROM RESIDENTIAL CUSTOMERS DURING CALENDAR YEAR 2010 WAS:

ARIZONA INTRASTATE GROSS OPERATING REVENUES \$ <u>5678.29</u>
--

THE AMOUNT IN BOX AT LEFT
INCLUDES \$ 373.34
IN SALES TAXES BILLED, OR COLLECTED)

***RESIDENTIAL REVENUE REPORTED ON THIS PAGE
MUST INCLUDE SALES TAXES BILLED**



Scott Wootton
SIGNATURE OF OWNER OR OFFICIAL

928-541-7569
TELEPHONE NUMBER

SUBSCRIBED AND SWORN TO BEFORE ME

A NOTARY PUBLIC IN AND FOR THE COUNTY OF

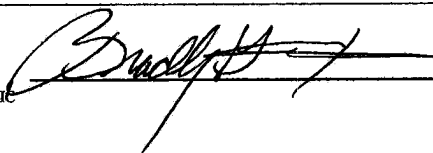
THIS DAY 13

(SEAL)

NOTARY PUBLIC NAME <u>BRADLEY G. STEVENS</u>	
COUNTY NAME <u>YAVAPAI</u>	
APRIL MONTH	<u>2011</u>

MY COMMISSION EXPIRES

SIGNATURE OF NOTARY PUBLIC



12-25-2011